**Investments Made by LIC**

†679. SHRI MOTILAL VORA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) the total amount invested by Life Insurance Corporation of India (LIC) in capital market and the justification for the same;

(b) the income made from the same by LIC during the last financial year;

(c) whether it is a fact that due to lack of income LIC has closed its many higher bonus policies;

(d) if so, the steps taken by Government to safeguard the investors' money; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) LIC invests its funds as per Section 27A of the Insurance Act, 1938 and IRDA (Investment) Regulations, 2000. The funds are invested in Central and State Government Securities, socially oriented and infrastructure scheme bonds, debentures, shares of PSUs, public limited companies and other avenues as indicated in the Act/Regulations. The Corporation is an investor in equities with a long term perspective for realising dividend income and capital appreciation for the policy holders. As on 31.3.2002, the book value of LIC's investment (cumulative value since 1956) was about Rs. 2,15,392 crores.

(b) The investment income of the Corporation in the financial year 2001-2002 was approximately Rs. 22,600 crore, including a gain of Rs. 723 crore from sale of equities.

(c) to (e) During the last three years there has been a decline in the yield earned by the LIC on its funds. The policies issued by LIC under some of its plans stipulate for guaranteed additions to the sum assured. These policies will continue on the same terms. However, the sale of new policies under these plans has been discontinued. Some of these plans have been re-introduced with revised benefits. The plans withdrawn are:

†Original notice of the question was received in Hindi.

During 2001-2002 New Bima Nivesh, Bima Nivesh 2001, Jeevan Shree, Bima Kiran, Jeevan Sanchaya and Money Back Children Assurance.

During 2002-2003 Jeevan Griha Double and Triple Cover.

The plans re-introduced with revised benefits are New Bima Kiran, New Jeevan Shree, Komal Jeevan, Jeevan Samridhi, New Bima Nivesh and Bima Nivesh 2002. There is, however, no adverse effect/impact on the existing policies.

**Review of accounts of Tata Finance**

†680. SHRI MOTILAL VORA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that Government have got the accounts of Tata Finance checked;

(b) if so, the basis of the checking; and

(c) the outcome thereof?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) No Sir. No inspection/checking of accounts of Tata Finance Limited has been ordered under Section 209A of the Companies Act, 1956.

(b) and (c) Do not arise.

**Central Economic Reforms Commission**

681. SHRI RAMA MUNI REDDY SIRIGIREDDY: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) Whether it is a fact that Government propose to create Central Economic Reforms Commission;

(b) if so, the details thereof;

(c) whether the Planning Commission is planning to set up bodies to monitor the implementation of reforms in each sector; and

(d) if so, the details thereof?

†Original notice of the question was received in Hindi.